

Washington State Institute for Public Policy

Benefit-Cost Results

Parent Management Training—Oregon Model (treatment population) Children's Mental Health: Disruptive Behavior

Benefit-cost estimates updated December 2016. Literature review updated May 2015.

Current estimates replace old estimates. Numbers will change over time as a result of model inputs and monetization methods.

The WSIPP benefit-cost analysis examines, on an apples-to-apples basis, the monetary value of programs or policies to determine whether the benefits from the program exceed its costs. WSIPP's research approach to identifying evidence-based programs and policies has three main steps. First, we determine "what works" (and what does not work) to improve outcomes using a statistical technique called meta-analysis. Second, we calculate whether the benefits of a program exceed its costs. Third, we estimate the risk of investing in a program by testing the sensitivity of our results. For more detail on our methods, see our Technical Documentation.

Program Description: Parent Management Training—Oregon Model (PMTO) is a family-based program that focuses on teaching parents to apply five parenting practices: skill encouragement, appropriate discipline, monitoring, problem solving, and positive involvement. This analysis focuses on the use of PMTO in populations with emerging or identified conduct problems.

Benefit-Cost Summary Statistics Per Participant							
Benefits to:							
Taxpayers	\$668	Benefit to cost ratio	\$2.67				
Participants	\$523	Benefits minus costs	\$1,151				
Others	\$548	Chance the program will produce					
Indirect	\$102	benefits greater than the costs	83 %				
Total benefits	\$1,842						
Net program cost	(\$690)						
Benefits minus cost	\$1,151						

The estimates shown are present value, life cycle benefits and costs. All dollars are expressed in the base year chosen for this analysis (2015). The chance the benefits exceed the costs are derived from a Monte Carlo risk analysis. The details on this, as well as the economic discount rates and other relevant parameters are described in our Technical Documentation.

Detailed Monetary Benefit Estimates Per Participant Benefits from changes to:1 Benefits to: Others² Indirect3 **Participants Taxpayers** Total \$0 \$33 \$76 \$16 \$125 \$491 Labor market earnings associated with high school \$223 \$225 \$225 \$1,165 graduation K-12 grade repetition \$0 \$6 \$0 \$3 \$9 K-12 special education \$0 \$222 \$0 \$111 \$333 Health care associated with disruptive behavior disorder \$68 \$208 \$258 \$105 \$639 Costs of higher education (\$36)(\$24)(\$11)(\$12)(\$83)Adjustment for deadweight cost of program \$0 \$0 \$0 (\$346)(\$346)Totals \$523 \$668 \$548 \$102 \$1,842

^{3&}quot;Indirect benefits" includes estimates of the net changes in the value of a statistical life and net changes in the deadweight costs of taxation.

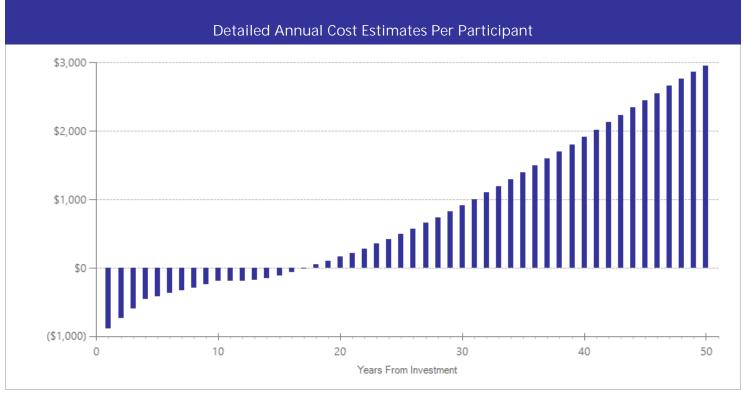
Detailed Annual Cost Estimates Per Participant								
	Annual cost	Year dollars	Summary					
Program costs Comparison costs	\$1,520 \$863	2011 2011	Present value of net program costs (in 2015 dollars) Cost range (+ or -)	(\$690) 10 %				

This program was delivered in a group format and an individual family therapy format. An average of 14 staff hours were required to deliver the program to the families in the evaluations that we reviewed. The families in the comparison groups received an average of 7.95 staff hours. The type of provider varied widely depending on the delivery format and specific setting. We estimated the hourly staff costs from the reimbursement rates of therapeutic psychoeducation in the community for a non-disabled population, based on actuarial tables reported for disabled adults in Mercer. (2013). Behavioral Health Data Book for the State of Washington for Rates Effective January 1, 2014.

The figures shown are estimates of the costs to implement programs in Washington. The comparison group costs reflect either no treatment or treatment as usual, depending on how effect sizes were calculated in the meta-analysis. The cost range reported above reflects potential variation or uncertainty in the cost estimate; more detail can be found in our Technical Documentation.

¹In addition to the outcomes measured in the meta-analysis table, WSIPP measures benefits and costs estimated from other outcomes associated with those reported in the evaluation literature. For example, empirical research demonstrates that high school graduation leads to reduced crime. These associated measures provide a more complete picture of the detailed costs and benefits of the program.

²"Others" includes benefits to people other than taxpayers and participants. Depending on the program, it could include reductions in crime victimization, the economic benefits from a more educated workforce, and the benefits from employer-paid health insurance.



The graph above illustrates the estimated cumulative net benefits per-participant for the first fifty years beyond the initial investment in the program. We present these cash flows in non-discounted dollars to simplify the "break-even" point from a budgeting perspective. If the dollars are negative (bars below \$0 line), the cumulative benefits do not outweigh the cost of the program up to that point in time. The program breaks even when the dollars reach \$0. At this point, the total benefits to participants, taxpayers, and others, are equal to the cost of the program. If the dollars are above \$0, the benefits of the program exceed the initial investment.

Meta-Analysis of Program Effects										
Outcomes measured	No. of effect sizes	Treatment N	Adjusted effect sizes and standard errors used in the benefit- cost analysis					Unadjusted effect size (random effects		
			First time ES is estimated			Second time ES is estimated			model)	
			ES	SE	Age	ES	SE	Age	ES	p-value
Externalizing behavior symptoms	4	274	-0.271	0.090	8	-0.129	0.072	11	-0.271	0.003
Internalizing symptoms	3	232	-0.148	0.097	8	-0.108	0.086	10	-0.148	0.129

Meta-analysis is a statistical method to combine the results from separate studies on a program, policy, or topic in order to estimate its effect on an outcome. WSIPP systematically evaluates all credible evaluations we can locate on each topic. The outcomes measured are the types of program impacts that were measured in the research literature (for example, crime or educational attainment). Treatment N represents the total number of individuals or units in the treatment group across the included studies.

An effect size (ES) is a standard metric that summarizes the degree to which a program or policy affects a measured outcome. If the effect size is positive, the outcome increases. If the effect size is negative, the outcome decreases.

Adjusted effect sizes are used to calculate the benefits from our benefit cost model. WSIPP may adjust effect sizes based on methodological characteristics of the study. For example, we may adjust effect sizes when a study has a weak research design or when the program developer is involved in the research. The magnitude of these adjustments varies depending on the topic area.

WSIPP may also adjust the second ES measurement. Research shows the magnitude of some effect sizes decrease over time. For those effect sizes, we estimate outcome-based adjustments which we apply between the first time ES is estimated and the second time ES is estimated. We also report the unadjusted effect size to show the effect sizes before any adjustments have been made. More details about these adjustments can be found in our Technical Documentation.

Citations Used in the Meta-Analysis

- Bank, L., Marlowe, J.H., Reid, J.B., Patterson, G.R., & Weinrott, M.R. (1991). A comparative evaluation of parent-training interventions for families of chronic delinquents. *Journal of Abnormal Child Psychology*, 19(1), 15-33.
- Bjørknes, R., & Manger, T. (2013). Can parent training alter parent practice and reduce conduct problems in ethnic minority children? A randomized controlled trial. *Prevention*, 14(1), 52-63.
- Kjøbli, J., & Ogden, T. (2012). A randomized effectiveness trial of brief parent training in primary care settings. Prevention Science, 13(6), 616-26.
- Kjøbli, J., Hukkelberg, S., & Ogden, T. (2013). A randomized trial of group parent training: reducing child conduct problems in real-world settings. Behaviour Research and Therapy, 51(3), 113-21.
- Ogden, T. & Hagen, K.A. (2008). Treatment effectiveness of Parent Management Training in Norway: a randomized controlled trial of children with conduct problems. *Journal of Consulting and Clinical Psychology*, 74(4), 607-21.

For further information, contact: (360) 664-9800, institute@wsipp.wa.gov

Printed on 02-10-2017



Washington State Institute for Public Policy

The Washington State Legislature created the Washington State Institute for Public Policy in 1983. A Board of Directors-representing the legislature, the governor, and public universities-governs WSIPP and guides the development of all activities. WSIPP's mission is to carry out practical research, at legislative direction, on issues of importance to Washington State.